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Before the **ORIGINAL**
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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of:

Review of the Commissions Regulations Governing Television
Broadcasting, MM Docket No. 91-221

Review of the Commission's Regulations Governing Attribution of Broadcast
and Cable/MDS Interests, MM Docket no. 94-150.

Comments of
The Project on Media Ownership

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The Project on Media Ownership (PROMO), at New York University, respectfully urges the Commission not to modify the ownership rules for local television. We are opposed to all such proposed changes in the above-captioned rulemakings, but will specifically address only a few of them: (1) whether LMAs should be attributable as ownership; (2) whether UHF stations should continue to be given more lenient attribution; (3) whether to permit ownership of more than one television station in a single market.

However, we wish also, and first of all, to accept the commission's invitation to comment generally on the relationship between ownership and diversity. In short, it is our view that, while diversity of ownership may not per se ensure diversity of viewpoints, the obverse is inarguably true: i.e., that market dominance by just a few immense commercial owners must ensure a most undemocratic narrowness of range. Such occupation of the airwaves by a few poses a grave threat to the free flow of information. We therefore deem it prudent to act with caution in considering these rules, whose loosening would also destabilize the very cornerstone of our democracy--the First Amendment.

Ownership vs Diversity

The Commission has invited comment, analysis and evidence on whether ownership concentration reduces viewpoint and program diversity.

We respond first with the general observation that the cultural and social strength of the United States derives not from any single national mass of mere consumers, but from the stubborn fact that this is still a land of many and extraordinarily different kinds of people, who represent a dizzying range of groupings and associations -- by class, ethnicity, gender, age, locale, religion, education and political affiliation, among other categories -- and yet who are, of course, also quite capable of purely individual, and therefore sometimes startling, tastes, desires, interests and expectations.

To put this argument in televisual terms: This land is not a continental auditorium that houses one gigantic audience, but a land of many audiences. Such a multitude cannot be accommodated by an oligopolistic media system, whose few large owners want, of course, to reach as lucrative an audience as possible -- a drive that finally leaves a lot of people out. Such owners are above all interested in reaching those consumers who are most attractive to the advertisers. Thus they are not attempting simply to engage a lot of people, but are rather straining to appeal to this or that large, highly profitable demographic segment. Such an effort -- which has only grown more frantic as those owners have grown fewer, larger and more desperately competitive with one another -- has necessarily excluded all

those who, for one reason or another, fall outside the advertisers' favored categories.

The fewer the owners, then, the less diverse the audience they try to sell -- and also the less diverse the content of those owners' programs. Indeed, the corporate drive to reach the larger and more profitable demographic blocs has drastically impoverished media content in a number of ways. The push for profits over all has, firstly, tended to homogenize the content not just of TV and radio, but, long since, of newspapers, and, more recently, of magazines, movies, books and mainstream music; for the owners, always over-eager to reduplicate the latest big success, tend to go for sequels, spin-offs, knock-offs, hyped reruns, and other utterly derivative fare, while avoiding any sort of risky innovation. This repetitious tendency has certainly (or primarily, as some might say) affected television programming, and so any step that might encourage further concentration in that business ought to be avoided.

Secondly, while it has helped homogenize the content, concentrated ownership has also helped to worsen it; for the drive to sell -- especially to the young -- has necessarily entailed the downward drive toward content ever more salacious and explosive. Certainly the degradation of the media, and of TV in particular, has been much discussed, especially since Littleton, and a full discussion of the problem is in any case beyond the scope of this petition. Suffice it here to say that there is an important link -- and one too often overlooked -- between the growing ugliness and triviality of television and the intensifying competition of its parent companies, who, in trying to sell us to the advertisers, finally know no decency.

Lastly, and most directly pertinent to local television: concentrated station ownership has helped immensely--and demonstrably -- both to limit and to worsen local television news. There are several reasons for this influence, which has arguably had disastrous consequences, both civic and economic. First of all, concentrated station ownership has meant a steep decline in the importance of the local public interest. Usually headquartered out of town, the station groups are simply unconcerned with how their many local newscasts might affect the quality of local life, through sins either of commission or omission. Thus local newscasts tend to be both lurid (full of bloody crime) and unenlightening (avoiding the expense of true investigative journalism, in favor of violence, weather, sports and fluff).

The problem is compounded by the fact that -- to put it bluntly -- violence sells. This basic economic fact explains the local newscasts' daily, nightly over-emphasis on violent crime -- a preference amply documented in James T. Hamilton's important Channelling Violence: The Economic Market for Violent Television Programming (Princeton, NJ: Princeton University Press, 1998). Despite

the fact that violent crime rates have been dropping in cities all over America, the newscasts in those very cities have been covering and highlighting such crime more and more -- a perverse tendency that is reflective not of any newsworthy developments, but only of the drive for ever higher ratings.

As PROMO has argued to broad scholarly acclaim, this routine over-emphasis on violent crime has had a marked destructive impact on our nation's cities. It has helped keep local citizens in ignorance of issues that concern them greatly; it has helped to sour the civic atmosphere with an alarmist vision of the cities' poor; and -- most strikingly -- it has helped to make the cities even poorer, by frightening countless people out of, or away from, city life. Such alarmism has helped deprive the cities of the tax revenues and consumer dollars that they so badly need--an oblique effect of concentrated ownership that the Commission ought to bear in mind as they consider loosening the current rules. (PROMO's 1998 study of the local TV news in Baltimore has been included in this filing.)

This argument is the underpinning of our opposition to the above mentioned proposed changes. As the Commission views these proposed changes, we thought it may prove helpful to have in hand some facts which have direct bearing on these matters.

UHF Attribution

We note here that corporations, when reporting either to their stockholders or to the Securities and Exchange Commission (SEC), use 100 percent attribution of their UHF stations to define their TV stations' reach. For example: in its most recent annual report to shareholders, General Electric, parent company of NBC, reported that its 13 stations reached 28 percent of US households.¹

Broadcasting and Cable, an industry trade magazine, notes that 28 percent is based on 100 percent attribution; 26.6 percent is the calculation based on the 50 percent discount for UHF stations.²

Likewise, in its annual report to the SEC in 1999, News Corporation boasted that its 40 percent reach gave it "the broadest coverage of any television station group in the United States."³ Broadcasting and Cable recently noted that same

¹ General Electric Company: 1998 Annual Report, p 15.

² "Special Report: Top 25 Television Groups," Broadcasting and Cable, April 19, 1999.

³ News Corporation: Form 20-F, June 30, 1999, p 7.

calculation based on 100 percent attribution for Fox's UHF stations, and that with the 50 percent discount, Fox's reach was 34.5 percent.⁴

In neither case did General Electric or the News Corporation mention the 50 percent attribution or the calculation based on that. Clearly, these companies felt the most salient and accurate information was the calculation without the discount, or else they surely would not have reported this information to their shareholders and the SEC. From this one might conclude that at least some broadcasters deem the true calculation of reach as that without the UHF discount. We would urge the Commission to do the same.

Duopoly

In its filing, the National Association of Broadcasters argued that broadcasters should be allowed to own more than one station in a market, since cable system operators are allowed to own more than one on their systems. This is a variation on the argument made by others as well: In order to compete with cable, broadcasters must be allowed to own more than one station in a market. This claim ignores two salient facts: cable channels are, by and large, owned in whole or in part by corporations that are also broadcasters, and despite declining audience share, broadcasters' advertising revenues are rising.

Broadcasters are "Cable"

Of the seven corporations that own or control the most popular cable channels -- CBS, Viacom, Disney, Time Warner, General Electric, AT&T/TCI, and News Corp -- all have considerable holdings in broadcast: CBS through its stations and the CBS network, Viacom through its Paramount Station Group and UPN Network (a partnership with another large broadcaster, United/Chris-Craft), Disney through its stations and the ABC network, Time Warner through its stake in the WB network (with the Tribune Company, another broadcaster), General Electric through its stations and the NBC network, AT&T/TCI through its 21% stake in USA Networks which owns 13 stations, interest in others and low power stations, and News Corporation through its stations and Fox network.⁵

⁴ "Special Report"

⁵ "The Media Nation," The Nation, June 8, 1998

Of the top 25 stations groups, which together account for almost 40% of the nation's TV stations, 15 are a part of corporations with cable holdings.⁶ Of the other ten, only three do not have substantial holdings in other media (radio stations, newspapers, Internet portals, billboards, etc.). None of these three, however, is a minor player: Paxson is the third largest station group owner with 49 stations reaching 58 percent of US households (29 percent with UHF discount); United/Chris Craft owns 10 stations reaching 22 percent of US households (18.8 percent with UHF discount), and Young Broadcasting owns 13 stations reaching 9 percent of US households (same calculation with UHF discount).⁷

The time has come to stop viewing broadcasters and cablecasters as distinct entities when clearly they are not. There are no doubt small broadcasting companies struggling to compete, but their real competitors are not "cable" but their fellow broadcasters who control cable and/or a plethora of other media holdings.

Advertising Revenues for Broadcasters are Rising

Broadcasters are bringing in more, not less, in advertising revenue. According to the Television Advertising Bureau, last year local TV stations brought in \$15.7 billion in advertising revenues, or 6.4 percent more than the previous year.⁸ The major networks made \$16.3 billion, or 6.9 percent more than in 1997. Syndicated programming brought in another \$2.7 billion, up 7 percent. Total TV advertising revenues were \$34.6 billion.

Further, it doesn't appear that broadcasting will cease to be profitable anytime soon, and considerable evidence to suggest the trend toward increasing profitability may continue.

Advance advertising sales for the upcoming broadcast season were well above expectations. The networks -- ABC, NBC, CBS, Fox, UPN and WB -- brought in 13 percent, or about \$7 billion, more in 1999 than they did in 1998.⁹

⁶ "Special Report"

⁷ "Special Report"

⁸ www.tvb.org/tvfacts/index.html

⁹ "Advance Sales for Broadcast TV Ad Time to Hit \$30 Billion," Los Angeles Times, June 2, 1999, p. C9

Here's the breakdown:

NBC

This year: \$2.2 billion

Last year: \$2.1 billion

FOX

This year: \$1.3 billion

Last year: \$1.1 billion

ABC

This year: \$1.9 billion

Last year: \$1.6 billion

WB

This year: 450 million

Last year: \$300 million

CBS

This year: \$1.4 billion

Last year: \$1.2 billion

UPN

This year: \$150 million

Last year: \$150 million¹⁰

Secondly, broadcast TV is still the best way to reach the American people, as industry experts and broadcasters themselves recently acknowledged when advance sales increased.

"It's always a concern when your audience is eroded," said Randy Falco, president of the NBC-TV Network unit of NBC in New York, part of the General Electric Company, but "to get through to America, you have to come through the networks."¹¹

"It's very good news for all of us who are concerned about the continued viability of broadcasting," said Jon Nesvig, president of sales for Fox Broadcasting Co. in New York. "The demand for network television continues to be very strong."¹²

"There is even more demand than we expected," said Jamie Kellner, president of the WB Network in Burbank, Calif., which is owned by Time Warner Inc. and the Tribune Company. "We were in a position to increase rates [for the upcoming fall season]."¹³

¹⁰ "Fewer Viewers, More Commercials," New York Times, June 8, 1999, p. C1

¹¹ "Fewer Viewers, More Commercials"

¹² "Advance Sales for Broadcast TV Ad Time to Hit \$30 Billion"

¹³ "Advertisers Spend Eagerly For TV Time in Fall Season," New York Times, May 31, 1999, p. C7

Many of the largest broadcasters also profit by using their network "brand" -- CBS, NBC, ABC, FOX, etc. -- to make money in other ways. For instance, General Electric's NBC brand helps promote its cable channels MSNBC and CNBC; News Corp's Fox brand supports the Fox Family Channel, Fox Sports, and others. Disney's ABC News has been criticized for promoting its other holdings (ie. live broadcasts of Good Morning America from Disney World). CBS is leading the recent trend of acquiring ownership stakes in Web sites without spending any money or stock, but rather by promising promotion of the sites on its CBS branded network. In this way, CBS has now gained stakes in:

- Marketwatch.com (now cbsmarketwatch.com): 38% in exchange for \$30 million in advertising and promotions
- storerunner.com: 50% stake in exchange for \$100 million promotion and branding
- Hollywood.com: 35% (with option to acquire additional 5%) in exchange for \$100 million in branding and content
- Switchboard: 35% (with option for another 5%) in exchange for \$135 million in promotion and branding
- Office.com: 33% in exchange for \$42 million in promotion and advertising
- ThirdAge.com: 30% (with option for additional 5%) in exchange for \$54 million in advertising and promotions¹⁴

LMAs

Here again we note the industry's peculiar way of representing the facts. In its annual list of the 25 largest station groups, Broadcasting and Cable classifies LMAs not with the companies that own them, but rather with the companies that control them.¹⁵ In other words, control of the stations is of paramount importance: it is the controlling entity that makes the crucial financial and editorial decisions. LMAs are an obvious attempt to circumvent the Commission's duopoly rule and should be banned. If owning more than one station in a single market threatens the free flow of information, than controlling a second station — without actually owning it — certainly is no better, nor any different.

Finally, we note that a number of filings predicted the end of free TV if

¹⁴ See enclosed chart, "Who Owns the Network News" and our web site, www.mediaownership.org, for our specific sources.

¹⁵ "Special Report"

ownership rules were not relaxed. We also recall this same argument being used in 1996 when Congress considered charging broadcasters for use of taxpayer-owned public airwaves. If this same argument is going to be trotted out each time the media conglomerates want some concession or another, it cannot be taken seriously. In light of the profitability of broadcasting, as well as the vigorous financial health of the media conglomerates other holdings, the disappearance of free TV could not be blamed on economics or regulation. Such threats are unsubstantiated, and worn out.

BAD NEWS IN BALTIMORE: THE ECONOMIC IMPACT OF LOCAL TV NEWS'S CRIME-TIME COVERAGE

by

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Introduction: TV News as Anti-Urban Propaganda

Every morning, every afternoon and every night, the commercial TV stations here in Baltimore propose to tell us what is really happening throughout the city. Such is the implicit promise at the top of every newscast, which rousingly identifies "the city" with "the news." Verbally, "the city" and "the news" are linked within the tag-line for each station-as in "Baltimore's Number-One and Most-Watched News!" or "Baltimore's Favorite News Team!" And then there are all those punchy visuals of "the city" that kick off each day's edition(s) of "the news": that exhilarating helicopter shot of the nocturnal skyline, or that fast montage of local sights (Mount Vernon Square, the Inner Harbor), or that smart tracking shot along some local street, and so on.

Thus do the commercial TV stations here in Baltimore begin their newscasts with this reassuring message: "Here is the truth, today, about your city." And then there's a disorienting change in tone, a sudden drastic narrowing of emphasis-and, therefore, a betrayal of that promise, as each "news team" proceeds to tell us, and to show us, almost nothing of importance, either national or local. Instead, our anchors and reporters dwell obsessively on local crime, and other telegenic instances of pain and suffering. Our analysis of three weeks' local TV newscasts found the telejournalists at work in Baltimore devoting, on average, nearly 38% of their broadcasts to local crime, and nearly 9% to accidents and natural disasters (some national, some local). At the same time, the local newscasts surveyed in that period included very little on local government or politics (a little over 8%), only half as much on education (4.42%), less still on health (4.28%), less than 1% on business (including labor stories) and even less than that on the environment (0.22%). Otherwise, the local newscasts gave a lot of air time-nearly 33%--to what we here term "features": soft news and human interest stories (e.g., a boy "adopted" by a duck who thinks that he's its mother) and outright self-promotion (e.g., the anchorman's upcoming stint as m.c. at some public function).

While the local TV news includes a lot of it, however, such fluff does not represent as serious a journalistic failure-nor does it pose as grave a civic problem-as the newscasts' routine over-emphasis on local crime. For the heavy coverage of such crime is not only excessive in the sheer amount of time devoted to it, but also in the undue prominence of such crime stories in each newscast. Although some of them are very bloody, the crimes that TV hypes night after night are, sad to say, hardly unusual, affecting few, if any, Baltimoreans other than the victims and those close to them, and therefore do not merit prominent or heavy coverage in any worthy journalistic enterprise that reaches a large audience. Moreover, crime in general is not increasing here in Baltimore: the murder rate is roughly where it's been since 1993, and, as in other US cities, the overall crime rate-including rape, robbery, burglary and auto theft-has actually been on the downswing since 1996. (In 1997, violent crime in Baltimore dropped 9.3%, while property crime dropped 12.6%.) Nevertheless, the commercial TV stations here in Baltimore persist in leading every newscast with a lurid catalogue of violent crimes-as if those ugly incidents were somehow more newsworthy than the legislative struggles down at City Hall or in Annapolis, the state of the economy, the public schools and the environment, the impact of corporate moves and federal policy on local life, and other issues that the people here should know about, and that our journalists-those "most-watched" especially-must therefore cover comprehensively and clearly. Because it leaves the people in the dark, the broad neglect of such important stories is a civic crime that, in the long run, threatens this community, and our democracy.

And yet there is a civic danger here not only in the daily failure to report on other, larger matters. More immediately-and, as our work shows, demonstrably-the constant over-emphasis on crime has helped to scare the audience away from city life. Although they themselves have often had no personal experience of criminal violence, many city-dwellers and suburbanites alike have, by their own account, been terrorized into retreat from Baltimore. Influenced by the TV news, they either hide out in those compact urban fortresses that they call home, or, if they have moved outside the city, stay away from Baltimore as much as possible-a mass avoidance with incalculable economic consequences for the city overall. (As we shall see, there is also evidence that several major companies have moved away primarily because their employees feared violent crime.) In short, TV's skewed vision of the city seems to have done Baltimore more harm than good; and so we must begin, as soon as possible, a city-wide debate on how we might start to improve it.

Of course, the lurid and alarmist thrust of local TV news is

findings of our poll appear to bolster our contention that the local newscasts function as an inadvertent anti-urban propaganda. We call this propaganda "inadvertent" because it is entirely motivated by the mercenary drive for higher ratings and more advertising revenues, not by any conscious animus against the city and its residents; and yet the newscasts have the effect of a concerted smear campaign. At 6:00 a.m. each morning, and again at noon, and again at 5:00 that afternoon, and finally at 11:00--for up to five hours daily, seven days a week, 365 days a year--the local newscasts tell us the same alarmist story over and over and over again, thereby involuntarily inducing the same sort of mass conviction that the most efficient propagandists of this century have sought deliberately to foster. Of course, the same invidious and repetitious sort of "coverage" is widespread throughout this country--an everyday bombardment that we all, long since, have come to take for granted. That we no longer really notice it can only make that propaganda all the more believable--as the findings in our poll suggest.

The Poll Results

The report "Crime, Fears and Videotape," by Steve Farkas and Ann Duffett of Public Agenda in New York, provides us with a fascinating glimpse into the local audience's views of crime and TV news in Baltimore. We recommend a careful reading of that work, but offer here some basic points that bear re-emphasis, and some discussion of the seeming contradictions in the data.

Many Of Those Polled Believe That TV's Vision Of The City Is An Accurate Reflection Of Reality

While the great majority of viewers polled have serious qualms about TV's crime coverage (see below), more than half of the respondents claim to see it as largely accurate. As Farkas and Duffett observe, "most people feel TV news does a good job of covering crime--better in fact than the newspapers or radio."

Yet, that consensus is uncertain, for it reflects only on the pollsters' general questions as to the newscasts' accuracy overall. In other words, when asked outright whether TV "accurately reflects the amount of crime taking place" or "makes it seem as if there's more crime than there really is," 60% deemed TV news an accurate reflection, while only 29% agreed that TV merely magnifies the danger.

When asked about the problem more specifically, however, and in the context of soliciting the respondents' various complaints about the local news, significantly more of them were troubled by the newscasts'

over-emphasis: 44% (48% of city-dwellers, 42% of the respondents in the county) readily agreed that "the media's focus on crime is needlessly scaring people." Likewise, 50% (59% of city-dwellers, 49% of county residents) agreed that the many and prominent crime reports "are usually out of proportion to the actual danger that exists." Such "soft" support for all that crime coverage suggests that most viewers would applaud a new approach. Asked if the news teams should "cover only those crimes that were informative and relevant, and ... limit video clips of violent images," the majority--49%--agreed that this would be "a good decision, because there really is no need to cover so much crime." (44% thought it would be "a bad decision," while 7% were undecided.)

On the basis of such poll results alone, however, we cannot fully gauge the audience's trust in TV's vision of the city; for people often will, of course, say one thing and then do another--a sign not of hypocrisy but of the common gap between our actual feelings and the way we think (or like to think) we feel. That inner chasm may in part explain another striking contradiction in the poll results: While as many as 50% of those polled call the amount of crime news disproportionate, a much higher percentage live their lives as if the newscasts' picture of the city were entirely sound: 84% endorse the statement that "I worry that I or someone I care about may become a victim of crime"; 87% have become "more careful about where [they] go in Baltimore"; 68% are now "more careful about how late at night [they] stay in Baltimore"; and 54% have installed security systems in their homes and/or cars. (50%, moreover, say they "spend less time in Baltimore City doing things like shopping, eating out, or going to the movies.")

Significantly, such widespread fearfulness bears no statistical relation to the respondents' personal experiences--nor to the actual crime rates here, which, as we have observed, are largely lower than before. While fully 84% fear criminal injury either to themselves or to their loved ones, only 16% of city residents report having been attacked themselves, while 34% report such harm done to a friend or neighbor. Similarly, 35% of city-dwellers claim that they or their relatives have had things stolen.

The statistics on the city's crime rates are likewise at startling variance with the numbers of the fearful. While 64% of Baltimoreans "have heard recent reports that crime in Baltimore has declined over the past few years" (and 92% of them "have gotten this information from the media"), very few feel reassured by that good news: 80% assert that crime "has either increased or remained about the same" over the past year, while only 13% believe that local crime has actually decreased.

Interestingly, it is not because they disbelieve the new statistics that so many Baltimoreans still feel threatened: 61% of those who have

heard the good news claim to find it credible. And yet, even having heard it, most still feel oppressed by an incessant sense of dread. "It is good that maybe crime is going down, but it doesn't feel any safer right now," confessed one of our respondents in a focus group. "Maybe in ten years, if it continues to get better and better." And another woman said that the declining crime rates make no difference in her frame of mind, because "there are still too many criminals out there--and I just don't know who they are."

One good reason why "it doesn't feel safer any more" despite the contrary statistics, and also despite the respondents' generally fortunate experience, is that TV has made so heavy an impression on our minds. Those gruesome stories at the top of every newscast are clearly the most memorable bits of each day's telejournalism. "What do people remember from TV news coverage in Baltimore City? Most often, they remember stories about crime," note Farkas and Duffett. "When asked what news story about Baltimore City first comes to mind, four in ten (41%) Baltimore residents--without prompting--mention stories about crimes, such as shootings, killings and other acts of violence."

The More You Watch, The More You Fear

It is not TV alone, of course, that teaches Baltimoreans--or the residents of any other city--everything they know about their world. It would be wrong to blame the general sense of terror only on the TV news; for the city--indeed, any major US city--is certainly a dangerous place, and so those residents who get out and about, who know and talk to others at their jobs and in their neighborhoods, and who read the *Sun*, *Afro-American* and/or *City Paper*, among other publications, are likely to learn much of what is happening in Baltimore, and that is not included in the local newscasts.

And yet, paradoxically, there is proof here too that the TV news has propagated an unduly threatening vision of the city. It is true that Baltimoreans learn far more about their neighborhoods by living in them than they do by watching TV newscasts. It is therefore significant that Baltimoreans, by large margins, feel much safer in those neighborhoods, and in their homes, than they do elsewhere in the city. Despite the vast expenditure on burglar alarms and dead-bolt locks, Baltimoreans "overwhelmingly say," write Farkas and Duffett, that "they feel safe at home (93%) and in their neighborhoods (92%)."

While most of us get to know our neighborhoods firsthand, however, "when it comes to Baltimore City [most Baltimoreans] get [their information] from the media--especially television." And all that frightening news about the other parts of town is always bad enough to

reconfirm the panic over Baltimore in general.

Simply put: The more you watch, the more you fear. "Heavy news viewers," note Farkas and Duffett, "tend to spend less time in the city for dining or movies because of fear of crime; they are more careful about how late at night they stay in the city; and [are] more likely to have installed car alarms or special locks at home or in their cars."

The statistics are quite eloquent concerning TV's terroristic impact. Of those who watch the newscasts every day, 73% declare themselves "more careful about how late at night [they] stay in Baltimore City"--as do only 54% of those who watch no more than twice a week. Likewise, 57% of daily viewers buy special locks and/or alarms for home or car, while only 40% of the infrequent viewers do so. And while 58% of those who watch the newscasts daily "spend less time in Baltimore City doing things like shopping, eating out, or going to the movies," only 40% of the infrequent viewers similarly check themselves.

What Baltimoreans Dislike About The Local News: A Few Surprises

While many Baltimoreans distrust the local TV news for its alarmist over-emphasis on crime, they also have some other qualms about the coverage: that it is callous; that it betrays a racist bias; and that it's too hard on Baltimore and far too easy on the suburbs.

Surprisingly, our data indicate that two of these objections--that the TV news is plainly racist, and that it fails to cover crime outside the city--are unfounded. However, while they are technically mistaken, there is, in fact, an important grain of truth in those objections. As we shall see, the sound perception buried in those two complaints pertains directly to the fact that TV news in Baltimore does vilify the city by over-emphasizing violent crime.

First, however, we will deal with the respondents' primary objection, which is wholly sound. A large majority complained of the the notorious callousness that marks the practice of the news teams here in Baltimore just as it does in every other US city. Those polled were especially offended by the news teams' repetitious replays of violent footage: 80% complained that, as one respondent put it, "once TV news programs get their hands on dramatic video about crime they play it over and over until you get sick of it." Of one such piece of video, another resident expressed disgust at the continual rebroadcasts: "They showed that same video on TV for weeks, every day. I couldn't look at it anymore because it was actually looking at someone dying."

Similarly, 69% of the respondents scored the bald insensitivity of

those professionals who swarm through crime scenes and ask stupid questions of the next of kin. Among those polled there was "some bitterness," the pollsters write, at such telejournalistic tactlessness. "I am sick and tired of them showing a mom who is crying because she's just been told her son died," one resident complained. "I can't stand that. Why don't they get out of that woman's face?"

Although we cannot quantify it, such insensitivity was flagrant in the newscasts that we analyzed--as it is, of course, in TV journalism every day. As noted just above, the respondents' other charges are less just. First, most of our respondents noted a misleading over-emphasis on crimes committed in the city as opposed to those out in the county. "There is a sense--shared by more than half (54%) of Baltimore-area residents--that TV news often fails to report crime when it happens in the suburbs." Perhaps surprisingly, this is a charge that a majority of all respondents tend to credit, whether they live within the city or outside it. "TV news often fails to report crime when it happens in the suburbs": 59% of city-dwellers, and 53% of the suburbanites, agreed with that assertion.

However, there was certainly no pro-suburban bias in the newscasts that we analyzed. On average, stories of suburban crime outnumbered those of city crime by more than two to one. Of all crimes reported in the average newscast, only 29.46% took place in Baltimore, while a little over 61% took place in the surrounding counties, and 9.16% were national or international. When we take note only of those crime stories reported for the state of Maryland, the difference is still starker: 67.58% of those crime stories were suburban, while only 32.42% were city stories. In other words, in the three-week period that we studied, suburban crime stories outnumbered urban stories by more than two to one. Contrary to the perceptions of those polled, then, Baltimore's newscasts appear to over-report suburban crimes--which, very roughly speaking, are about a third again as numerous as the crimes within the city. (In 1996, for example, there were 13,779 arrests in Baltimore, as opposed to 20,287 in the suburbs.)

Likewise, we found no statistical basis for the charge--which most of our respondents credited--that Baltimore's TV news betrays a racist bias in its crime coverage. Here, predictably, there was a marked divergence between black and white respondents. Both groups did express a like concern over "the number of African-American males who commit crimes": 81% of those blacks polled agreed with 83% of white respondents. Concerning what they see as the unequal treatment of the races by the TV news, however, there was little bi-racial agreement. "When poor or minority people are the victims of crime, it's less likely to be covered on local TV news": 69% of those blacks polled agreed with

that assertion, while only 47% of white respondents did so. Still more striking was the difference on the crucial question of how TV news presents the city's violent law-breakers in racial terms. To the proposition that the TV news is likelier "to show pictures of criminals when they are African-American than when they are white," 73% of black respondents voiced agreement--as opposed to only 33% of whites.

Contrary to that consensus, the TV newscasts in our sample certainly did not play down white crimes or play up black ones. While such primitive racism has demonstrably pervaded TV news in many cities (such as Los Angeles, according to Prof. Gilliam's study), in Baltimore the news teams evidently work hard not to associate blacks with violent crime. Of the verbal references to race in all those crime stories, for example, considerably more applied to white than to black criminals: Law-breakers, proven or suspected, were identified as "white" in 28% of the TV crime reports, and as "black" in only 6% . (In 65% of those reports there were no racial terms of any kind.) The all-important visuals were likewise racially askew: Of all the criminals or suspects that appeared on camera, 81.1% were white, while only 18.9% were black. The disparity is striking--for it appears to be a total contradiction of the sad reality of crime in Baltimore, as tracked by the Maryland State Police: In 1996 (the most recent year for which such figures are available), blacks committed roughly 82% of urban crimes, while whites committed roughly 12%. (Out in the suburbs, meanwhile, blacks committed about 37% of all crimes, while whites committed around 63%.)

Thus do the cold statistics hint at how things really are in this impoverished city with its struggling black majority. About the larger issues here we will say more in our conclusion. For now, we will attempt an explanation of this gap between the newscasts' quantitative under-coverage of both black and urban crime, and the viewers' stubborn perceptions of a racist, pro-suburban bias.

In trying to measure the effect of any propaganda, we must move well beyond the careful sifting of mere numbers. Percentages alone can only say so much about the making, or the reinforcement, of a mass impression, which arises out of drives and currents far untidier than a statistical approach can comprehend. Having quantified the spectacle, we must always reconsider the experience of watching it--for we will find the crucial elements in that experience, and not in any neat array of numerals abstracted from it. In that mundane experience we will find the factors that make all the difference: the powerful subtexts of the spectacle itself, and the complex interplay between that spectacle and those who watch it.

Consider, first, that pro-suburban slant alleged by the majority of our respondents. On the one hand, it is true that, in our sample, there

were many more stories of suburban than of urban crime, which suggests that those respondents were mistaken. However, it is also true--and evidently more significant--that every newscast overwhelmingly identifies itself as an expression of the city first of all. Through their stirring overtures, as we have seen, the newscasts represent themselves as bold and accurate expressions of the local urban spirit--so that Baltimore unfortunately stands out as the rubric under which all those crimes appear to fall. It is important to remember that we do not watch the TV news as if preparing for exams, but in a far more casual and indiscriminating frame of mind. We are therefore not inclined to make meticulous distinctions between, say, this murder in East Baltimore and that one out in Howard County. The lurid onslaught that is every local newscast leaves us with a fearful sense of rampant crime concentrated in the city, however many of those stories come from the surrounding counties. In short, that powerful subtext makes a much stronger impression than the newscasts' disproportionate attention to suburban crimes. Those respondents who deplored the newscasts' anti-urban bias were therefore not totally mistaken after all.

Likewise, any satisfactory account of how the newscasts deal with race must go beyond mere tabulation. In this case, we should bear in mind that TV's viewers are not blank slates, but that we largely watch with minds made up already, filled in with the usual human complement of prejudice and wishful thinking. When we watch, in other words, the way we see those images is heavily determined both by our nation's painful history, and by the peculiar niche where circumstances have placed each of us here in the present. Therefore, when it comes to racial matters, we all tend to watch as partisans; and so any TV images of black criminality must necessarily be controversial. Acutely sensitive to racist implication, some black viewers may notice only those few images of black transgression, thereby seeing them as more numerous than they really are. For such viewers, in other words, those infrequent pictures loom too large--as they also do, ironically, for those white racist viewers who think all criminals are blacks and vice versa, and who are blind to any images that might say otherwise. They see the city as a lethal hell-hole, quite overrun by its homicidal, drug-addicted black majority.

In fact, that racist vision of the city is reconfirmed day after day by the local newscasts--despite the relative infrequency of damning images. Those black and white respondents who deplored the newscasts' racial bias actually did make a valid point, for that constant emphasis on violent crime--regardless of the criminals' color--can only bolster the assumption that this (black) city is too dangerous (for whites). Because that view has been widespread for years, the newscasts now inadvertently

corroborate it merely by associating "Baltimore" with "crime," however few or many blacks or whites appear on camera wearing handcuffs. As any skillful propagandist knows, it is hard to overcome strong first impressions, but very easy to revive them. The equation "city=blacks=danger" has all the force of such a first impression--and it is one that Baltimore's own newscasts keep alive in people's minds, through that relentless emphasis on murder, rape and robbery, "tragic fires" and "drug deals gone wrong."

The solution to this problem, then, is not to dwell more heavily on white crime or suburban crime, but (as we suggest below) to cover less crime overall, and to report on other, more momentous subjects. This is not just a civic imperative, but also an economic necessity; for the newscasts' unrelenting over-emphasis on urban danger has helped to make our city literally poorer. It is appropriate here that we turn briefly to this aspect of the TV stations' endless quest for shocking "news"--which is itself the consequence of that immense commercial pressure under which the stations, and the news teams, operate.

The Economics

The local TV stations go primarily for bloody crime--and stay away from more demanding journalistic fare--because it pays. News of violent crime is not only a surefire grabber ("Pictures at 11:00!!") but also cheaper to produce than, say, a careful, clear and visually arresting story on important state or city legislation, or on the state of health care, the environment or labor in this area--or, for that matter, on extraordinary cases of white-collar crime, a subject that is both more complicated and less viscerally shocking than a burned-out house or drive-by shooting.

Although journalistically worthwhile, such stories cost too much and are too risky (i.e., not crude enough) for the news directors to attempt them in the current super-mercenary climate. It is not those directors, nor is it, certainly, the TV journalists who ultimately call the shots. Rather, it is those giant media conglomerates that own the TV stations here in Baltimore--and that expect them not to serve their host communities with first-rate telejournalism but only to improve the bottom line. It is this imperative that has degraded TV journalism (and wiped out radio journalism) here in Baltimore, where the commercial stations have the following owners: Hearst Corp. (WBAL, Channel 11), CBS (WJZ, Channel 13), E.W. Scripps (WMAR, Channel 2), and Sinclair Broadcasting (WBFF, Channel 45, and, through a local marketing agreement [LMA], WNUV, Channel 54).

Although not necessarily a decisive factor, it is perhaps significant that most of those conglomerates are headquartered out of

town--a geographical remoteness that makes unlikely any sense of civic pride or obligation that might contribute to a higher journalistic standard: CBS and Hearst have their home offices up in New York, and Scripps (primarily a newspaper conglomerate) is headquartered out in Cincinnati. (It may be a coincidence that the local stations owned by Sinclair Broadcasting--headquartered here in Baltimore--offer news that is in some ways slightly better than the average, with nearly 4% less crime news on WBFF, and, on WNUV, twice the news of politics and government.) Such rootlessness is also evident among the news directors, anchors and reporters in our TV newsrooms, so that there is little sense of civic obligation even in the ranks of those who do the news--an all-too-common feature of the media in this new age of giant ownership.

However interested in Baltimore the owners or the anchors may or may not be, the fact is that those absentee proprietors (and Sinclair Broadcasting) make massive profits on the TV stations here in Baltimore. It is pertinent to note that TV stations are, in general, cash cows, and that TV news is also hugely lucrative. And so, in 1996, CBS, which owns WJZ along with thirteen other stations, took in \$836 million from its TV holdings (with total revenues of \$5.4 billion), while Scripps, which owns eight stations, including WMAR, took in \$331 million from its TV holdings (with total revenues of \$1.2 billion). And in 1997, the total revenues of all four parent companies were roughly \$10.3 billion dollars, with at least \$1.2 billion--and probably as much as \$2 billion--coming from their TV stations.

Thus the degradation of our TV news has paid off handsomely for those conglomerates. Meanwhile, Baltimore keeps getting poorer--as those alarmist newscasts, which help make Hearst and Scripps and CBS so rich, have also surely helped to make things worse for those who live here. In reading through the evidence of Baltimore's decline, we must consider not only the most obvious factors--industrial erosion, underfunded public schools, the spread of drugs, etc.--but also the subtler impact of those daily newscasts. Like some invisible pollution, TV's routine exaggeration of the city's dangers seems to exerting a destructive influence on the city overall.

First of all, there is the city's dwindling population, which, according to the last census, is estimated to be 657,256--the lowest it has been for decades. It is surely relevant that, according to our poll, 36% of those who have fled, and most of those--54%--who have considered leaving, were moved to do so by their fear of crime--which fear, as we have shown, may easily have had as much to do with TV's anti-urban propaganda as it did with any actual danger. Meanwhile, the numbers of ex-urbanites have been increasing throughout the surrounding counties. While the city's population has dropped 10.7% since 1990, in Baltimore

County is has grown by 4%, by 10% in Anne Arundel County, 17% in Harford County, 19% in Carroll County, and 22% in Howard County. According to Moody's, Baltimore's population loss compares unfavorably with other mid-Atlantic cities (among which only Washington and Philadelphia have lost greater numbers of their populations).

Such flight has cost the city millions every year in potential local income taxes on those salaries earned by county residents who work within the city limits. According to Marsha Schachtel, a senior fellow at the Johns Hopkins Institute for Policy Studies, in 1990 \$4 billion was thus paid out in wages that were taxed elsewhere. If that money had been earned by city residents, Baltimore would have netted an additional \$112.5 million--and that annual loss has certainly increased throughout the decade.

The close relationship between those losses and the general fear of crime--and, as well, the irrationality of that fear--has been reconfirmed by many of the city's CEOs. According to Lori Gillian of Downtown Partnership, that organization's annual interview with such business leaders indicates that crime is one of the two main reasons why firms move to the suburbs. (The other is the unavailability of city parking.) Most CEOs, says Gillian, see crime as "a perception problem"--while they themselves don't see downtown as dangerous, most of their employees do. Asked to explain their employees' fearfulness, the CEOs are near-unanimous: "They invariably say the news and the media," notes Gillian.

Like those large companies, the city's retailers have evidently also been affected by the general fear. Between 1972 and 1992, according to Moody's, Baltimore lost 44% of its retail establishments--a loss that is twice the national average. Here it is worth recalling that 87% of our respondents deemed themselves "more careful about where [they] go in Baltimore," while 68% are now "more careful about how late at night [they] stay" in the city. There is surely a connection between Baltimore's declining retail sector and the terroristic impact of the TV news: As we have noted, 58% of those who watch the newscasts every day try not to shop or dine or go out to the movies in the city.

The city's economic plight is certainly no secret. Baltimore has the highest poverty rate among cities in the region (22%, as opposed to a national average of 13%). Between 1985 and 1995, according to the Downtown Partnership, the city lost 45,000 jobs, while the suburbs gained 193,000. In March, Moody's announced a "negative outlook" for the city, because of Baltimore's eroding tax base and the continual exodus of middle-class residents. As John Moore of Moody's put it to the *Sun*, "There's been a moderation in the tax base, a steady stream of population losses, and unemployment levels remain relatively high."

Moody's warned that, in order to secure a higher rating, Baltimore would have to generate increases in its property tax revenue base, expand its budgetary reserve fund and become a center for new jobs.

Yet such a task is all the harder for a city endlessly and heavily bombarded, and whose suburbs too are endlessly bombarded, with a propaganda that keeps people hiding in their homes, and that confirms them in their plans to flee to Towson, Owings Mills, Glen Burnie --and Hunt Valley, where, it may be relevant to note, Sinclair Broadcasting has recently announced its plans to move.

In short, it is now crucial to the economic health and civic life of this once-great metropolis that Baltimoreans begin to talk about how we might start to help improve the local news. There are some excellent ideas and very promising examples. We must start to discuss them now.

Possible Solutions

First of all, there is the possibility of public action--a course that Baltimoreans took not long ago with great results, when many of them organized successfully to get the billboard ban passed by the City Council back in 1994. That historic effort made it clear that Baltimoreans have the courage, skill and dedication to pursue another major media reform--and one even more important. Just as, thanks to Baltimore's example, similar advertising bans are pending now in over thirty city councils all over the country, so would a winning drive to improve the TV newscasts offer an invaluable first step to the nation's other cities, whose local news is generally as bad as ours.

A grass-roots drive might concentrate at first on shaming both the stations' management and parent companies into doing a better job. According to Bill Kovach, curator of the Neiman Foundation at Harvard University, such an effort might entail petitioning the FCC to track exactly how much time the stations spend on local crime--as well as how much time they spend on hard news stories, how much on soft news and self-promotion, and how much of their income goes toward news and public affairs programming. "Such a log might work wonders," Kovach says, "by showing that local TV stations, which are owned by some of the most important and prestigious news companies in America, are among the worst offenders against journalistic quality, with their daily broadcasts of murder, mayhem, celebrity gossip and self-promotion. National publication of such information might finally shine a light into this darkness."

Baltimoreans might also mount a campaign to petition the FCC to

deny license renewals to the offending TV stations. Although that agency is hardly prone to honoring such petitions, there is some precedent for this sort of public effort. Some thirty years ago, a group of citizens in Boston, disgusted by the nightly news on WHDH-TV (owned at that time by the Boston Herald-Traveler Corporation), urged the FCC to revoke the station's license and regrant it to themselves. (Under their guidance, the local newscasts from the station, which they renamed WCVB, were markedly improved.) More recently, a similar action was attempted by Paul Klite, whose Rocky Mountain Media Watch petitioned the FCC to deny renewals to all four of Denver's commercial TV stations. That petition highlighted the "toxic" levels of violence in the stations' newscasts, charging that their triviality and gore were "harming the citizens of Colorado." Although the FCC rejected Klite's petition, his drive attracted much attention, and therefore helped advance the national debate about the quality of local TV news. Using our more practical and less subjective argument (that such alarmist newscasts do the city undue economic harm), we might follow Dr. Klite's example, and find success where he has so far failed.

More ambitiously, and looking to the longer term, Baltimoreans might mount a public drive to set up a state version of the FCC. Just as there are now state versions of the Environmental Protection Agency, so might there be a State Communications Commission, with the authority to impose public service obligations far more stringent than those currently required by the FCC (which actually imposes none). As we approach the age of digital TV, when the giant media corporations will have hundreds more TV channels than they do already (and when they also might be free to own more TV stations in a single city), we should begin to think about establishing some local mechanism to ensure that those commercial radio and TV stations making money here in our community observe a higher standard, and are accountable to those of us who live and work here.

There are other possibilities that might well mobilize--and then be realized by--a public drive. However, there might also be some recourse in the media itself, whose most enlightened figures clearly recognize the danger in the sort of nasty telejournalism that is all around us. Two years ago, the management of Austin's KVUE-TV imposed new editorial guidelines, so as to stop administering the heavy daily dose of crimes and fires. Under those guidelines, each potential crime report must be assessed according to the following criteria:

- Does the crime have significant community impact?
- Does action need to be taken by viewers?
- Is there an immediate threat to safety?

- Is there a threat to children?
- Does the story lend itself to a crime-prevention effort?

The station's management took this extraordinary step not for any economic reason (it was already the top-rated station in its market), but in response to overtures by the community and research into what the viewers really wanted. And yet the new approach proved an immense success: KVUE is still top-rated in the Austin market, and those local viewers appreciate its probity and journalistic excellence. "People assume that what we're telling them is the truth," news director Cathy McFeaters lately told the *Detroit News*. "Our audience is very confident and comfortable. They see crime on our air, it's in context, it's in perspective, and they know we're not trying to shock them or turn their stomachs."

In his study of the local newscasts nationwide, Prof. Angotti made a similar discovery, as he told the *New York Times* last year: "We found that the stations that were using the least amount crime news were getting the highest ratings. So the theory that if you give people lots of blood-and-guts that's what they'll watch is not necessarily true."

As the example of KVUE makes clear, we are not calling for a kind of newscast that would try to sugarcoat the grim realities of life, or serve as a PR machine for local business or the city government. We ask, rather, for a higher journalistic standard; for there is surely much more going on, in Baltimore, the nation and the world at large, than those sensational but ultimately trivial occurrences that disproportionately fill the newscasts now. (Some of those crimes, moreover, are not even sensational, as we can see from the long and ludicrous report--transcribed below--on a pair of sneakers stolen in Glen Burnie.) However high or low their ratings, the news teams here are doing us a grave disservice, by filling up their precious air-time, and our minds, with the sort of titillating items that generally merit only passing mention, as in the police blotter of a daily paper.

However, the civic cost of such poor telejournalism is not merely an abstraction. As we have demonstrated, the newscasts also cost the city dearly in hard economic terms. Indeed, it may be possible to argue that the newscasts have themselves helped to make possible the very crimes that they keep covering so obsessively. By working day and night to scare away the middle class, the news teams have--while raising millions for the station owners--helped to worsen Baltimore's economy, thereby making it more likely that an explosive few will strike out at their fellow-citizens. Thus is the improvement of the TV news in Baltimore not just a fine idea. It is, in fact, a matter of survival.

ADDENDUM:
FROM WJZ-TV's 6:00 P.M. NEWSCAST
April 28, 1998
(TOTAL TIME: 2:36)

Anchorman Vic Carter: A sixth-grader in Anne Arundel County is attacked at school by other students, and his shoes are stolen. And tonight the children accused of doing it are facing charges. Mike Shue joins us now live from Glen Burnie to tell us what happened.

[On the right side of the screen, Shue appears "Live from Glen Burnie," standing in front of a house. Carter appears on the left, seated at his anchor desk. Below Shue there appears, in bold capitals, the legend caps, "STUDENT ATTACKED"]

Mike Shue: Vic, for the past three years the middle school kid who lives in this house has dreamed of owning a really cool pair of sneakers. Well, a couple of days ago he got those sneakers. But for a brief time today, he probably wished that he was wearing another pair. Sixth-grader Ken Pursely spent much of today roaming the halls of his middle school--

[cut to Ken Pursely's feet, in socks]

--in his stockinged feet.

Ken Pursely (close-up): It was just a lousy day. Kids stealin' shoes.

Shue:
[extreme close-up on shoes] Yesterday, for the first time, he wore these \$140 Nike Air Maxes to school. And they attracted attention.

Pursely:
[cut back to Pursely's face, even closer than before]

"Like, those are nice shoes, and I wish I had 'em, and stuff like that."

Shue: [Shot of school front]

And today, they attracted unwanted attention.

Pursely:

[Close-up on Pursely's face]

"I got jumped; my shoes got stolen."

Shue:

Ken says that three seventh graders tripped him and went for his Nikes.

Pursely:

[Close-up on Pursely's face]

"I pulled my shoes on once with my feet, but then they got 'em off anyways. Then once they got 'em off they started runnin'."

Shue:

Later the three were rounded off, and in the principals office they met with police.

Pursely:

[Close-up on Pursely's face]

"And the cops showed up, and we went into a room, all of us, and the four that did it said they did it."

Dr. Bill Callaghan, Principal:

[Close-up on principal's face]

"It is being investigated, it has been turned over to the police, it is a police matter, and the school will conduct a parallel investigation, and suitable action will be taken when we finish the investigation."

Pursely:

[Close-up on Pursely's face]

"I'm kinda happy that they got what they deserved because, if they woulda known what the consequences were they woulda never did it."

Pursely:

[extreme close-up on shoes]

As for the shoes, you'll see them tomorrow, on Ken's feet, at school

Terry Carroll, father:

[close-up]

"I think schools need to do something about it, I think it's absurd, that he's gotta be intimidated to walk around school in something he likes to wear."

Pursely:

Even though Ken had a lesson in social studies today, he's obviously learned his lessons in economics earlier, because while those were \$140 shoes, he waited for them to go on sale, and he purchased them for \$70. He views this whole incident today as ridiculous. Vic?

Vic Carter:

Well Mike what happens to the kids who were arrested?

Shue:

Well, the three thirteen year old seventh graders will not be in school tomorrow while this matter is being investigated by the school officials. But the police are continuing their investigation, and all three are charged with second degree assault, and as such they will go before a Juvenile Master who will decide if any punishment will be handed out.

Vic Carter:

Okay Mike, thank you for the live report from Glen Burnie.

GENERAL ELECTRIC

Revenue 1998: \$100.5 billion

John F. Welch, chairman and CEO
1998 Pay: \$10 million (approx.)

SPORTS TEAMS

New York Knicks
New York Rangers
New York Liberty
New England Seawolves
Hartford Wolfpack
(all 15% w/ 45% Cablevision
and 40% News Corporation)

VENUES

Madison Square Garden
Management of Radio City Music
Hall and the Rockettes
(both 15% w/ 45% Cablevision
and 40% News Corporation)

WEB

MSNBC.com news
(50% w/ Microsoft)
CNBC.com
(95% w/ XOOM.com and Snap.com)
Hoover's (minority stake)
NBCi (49% [w/ option to increase
to 53%] w/ 13% CNET and 33%
Xoom! shareholders)
Includes: Xoom.com, Snap.com
(seventh largest site on the Internet),
NBC Interactive Neighborhood,
Videoseeker.com (with InterVU
Inc.), NBC.com, CNBC (10%)

Equity stakes in about 20 other
sites, including: iVillage
(about 10% w/ AT&T & AOL)
Launch Media
(undisclosed equity stake)
Auto-by-Tel (minority interest)
AMC's American POP!
(25% w/ Cablevision)
Telescan (9.9%)
Realtor.com (minority interest)
Star Media (minority interest)
Preview Travel (minority interest)

...
website design

CABLE

MSNBC (50% w/ Microsoft) CNBC;
A&E (25% w/ 37.5% Disney & 37.5% Hearst)
History Channel (25% w/ 37.5% Disney
& 37.5% Hearst)
Biography Channel
(25% w/ 37.5% Disney & 37.5% Hearst)
American Movie Classics
(25% with Cablevision)
Bravo (25% with Cablevision)
Independent Film Channel
(25% with Cablevision)
MuchMusic USA
(25% with Cablevision and Chum Limited)
News 12 Networks (25% with Cablevision)
Romance Classics (25% with Cablevision)
MSG Network (15% with 45%
Cablevision and 40% News Corporation)
Metro Channels (15% with 45%
Cablevision and 40% News Corporation)
Fox Sports Net - Stakes of 12.5% to
15% in regional sports networks with
Cablevision and News Corporation.
ValueVision (39.9%)

TV

NBC

220 affiliates

STATIONS

reaching 28% U.S. households
WNBC New York
KNBC Los Angeles
WMAQ Chicago
WCAU Philadelphia
KXAS Dallas/Ft. Worth
WRC Washington
WTVJ Miami
KNSD San Diego
WVIT Hartford, CT
WNCN Raleigh/Durham
WCMH Columbus, OH
WVTM Birmingham, AL
WJAR Providence, RI

APPLIANCES

Monogram, Profile, GE, Hotpoint

AIRCRAFT ENGINES

manufactures aircraft engines
for major airlines and U.S. Navy;
manufactures marine engines
for cruise lines

FINANCING & INSURANCE

Bringing in almost half
of GE's annual revenues.

MEDICAL EQUIPMENT

including X-ray, MRI,
and ultrasound machines

POWER SYSTEMS

turbines & generators for industrial
power plants, and other uses;
nuclear fuels & services

PLASTICS

Used in CD-ROMS, DVDs,
video game disks, etc.;
resins for cars, computers, cell phones

INTERNATIONAL TV HOLDINGS

CNBC and A&E
distributed in other countries
National Geographic Worldwide
(25% with 25% National Geographic TV
and 50% News Corp)
in 54 foreign countries
Bravo International (25% with Cablevision)

PRODUCTION & DISTRIBUTION

NBC Studios
NBC Enterprises
Radio City Television
(25% with Cablevision)

NBC NEWS

Dateline NBC

Early Today (pending)

The Today Show

Meet the Press

Later Today
(with Florence Henderson)
(pending)

NBC Nightly News
with Tom Brokaw

MOVIES

New Line Ciner
Fine Line Featur
Castle Rock
Warner Bros. (75% w/
MediaOne/AT&T)
Turner Libraries: includes H
MGM, RKO, classic Wa
(75% w/ 25% MediaOn

MAGAZINE

21% of US magazine
includes top 3 se
People, TIME, and Spor
American Family Pt
(50% w/ Pritsker
magazine subscrip

PRODUCTION & DISTR

New Line Televis
Warner Bros. Telev
(75% w/ 25% MediaOn
Warner Bros. Television
(75% w/ 25% MediaOn
Telepictures Produc
(75% w/ 25% MediaOn
Castle Rock Televi
HBO Independent Pro
(75% w/ 25% MediaOn

SATELLITE

Primestar (with T
Advance Publ
MediaOne/AT&T, C
Sale pending to Ge

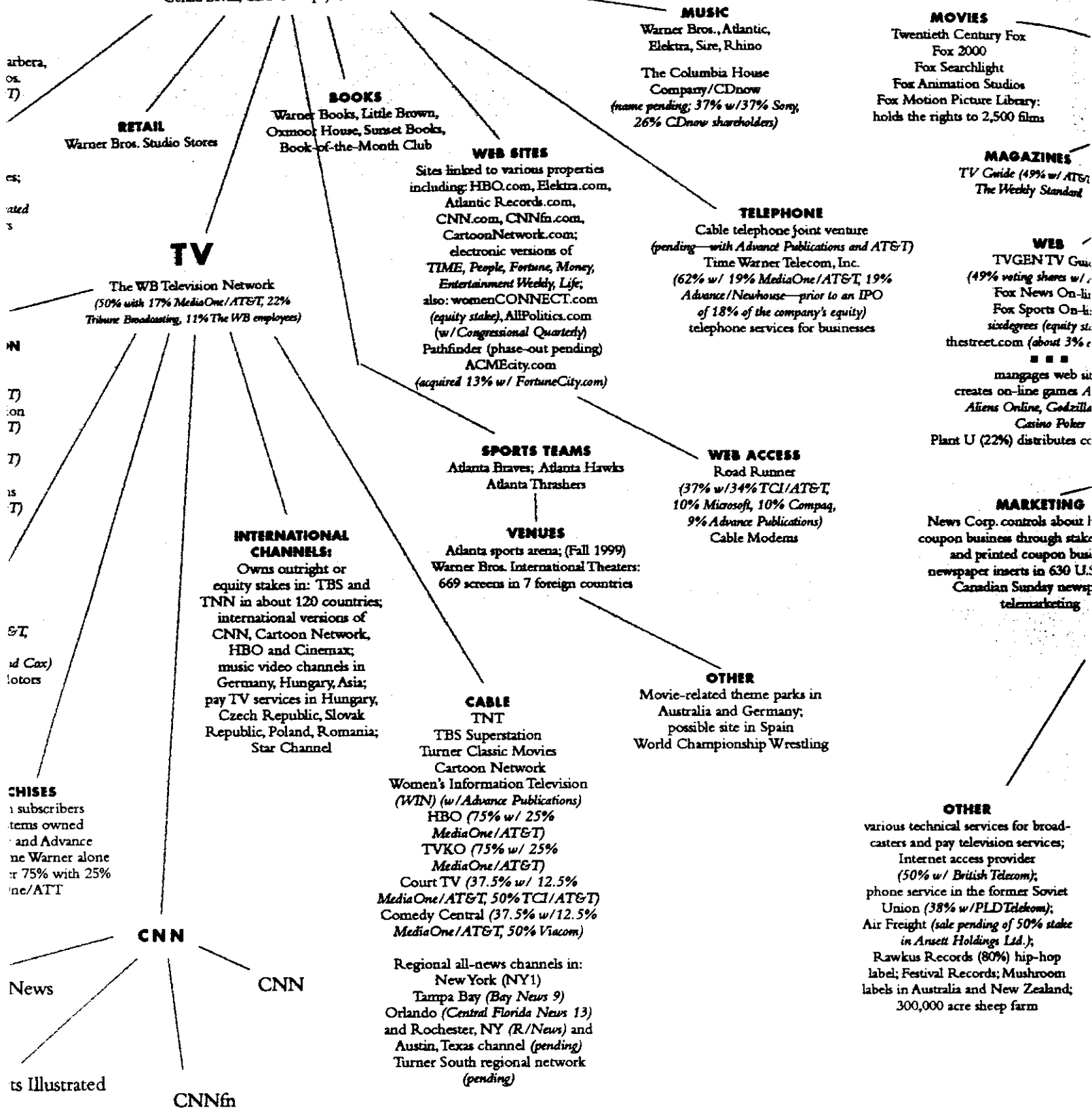
CNN Hea

CNN

TIME WARNER

1998 Revenue: \$26.8 billion 1998 annual report
Gerald Levin, CEO 1998 pay: \$15.1 million

WHO OWNS THE NE



NOTE: AT&T to acquire MediaOne in 2000, pending government and shareholder approval

WORK NEWS?

THE

NEWS CORPORATION

Rupert Murdoch owns 31%
AT&T owns 8%

1998 Revenue: \$13 billion
Rupert Murdoch, CEO: net worth \$7.2 billion

VENUES

Madison Square Garden
(40% with Cablevision 45%, NBC/GE 15%)
Management of Radio City Music Hall
and the Rockettes
(40% with Cablevision 45%, NBC/GE 15%)
Staples Center (40%) scheduled
to be the home of the Los Angeles
Kings, Lakers and the Clippers
beginning in October 1999
Dodger Stadium

TV

PRODUCTION & DISTRIBUTION

Twentieth Century Fox Television
Twentieth Television; Fox Television
Studios; Greenblatt/Jacollari Studios;
National History Limited; Fox Family
Worldwide, Inc. (50% w/Saban)
Regency Television (50% w/Monarchy
Entertainment); Fox Television Library

SATELLITE TELEVISION

EchoStar
(37% together w/MCI)

CABLE

FX
FXM
Fox Family Channel
(49.5% with Haim Saban and entities he controls)
The Golf Channel (33.33%)
The National Geographic Channel
(50% with 25% NBC/GE and
25% National Geographic)
FTT TV Partnership (92% profit interest
and a 100% capital interest)
Speedvision (34%)
Outdoor Life (34%)

Regional Networks including:
Fox Sports Net (50% with 37.5% Cablevision,
12.5% GE); Madison Square Garden
Network (40% with 37.5% Cablevision, 12.5%
GE); Fox Sports New York (40% with 45%
Cablevision, 15% GE) MSG MetroChannels
NY area only (40% with 45% Cablevision,
15% GE) TV Guide Channel
(49% voting shares with AT&T)

FOX

203 affiliated stations

BOOK PUBLISHING

HarperCollins, Zondervan, Avon Books*
and William Morrow*
(*acquisition pending)

NEWSPAPERS

New York Post; In UK: The Times,
The Sunday Times, The Sun, The News
of the World Sales of these 4 news-
papers account for one-third of all
national newspapers sold in the UK;
In Australia: largest newspaper publisher
with about 120 papers that account for more
than half the country's daily and Sunday
newspaper sales. In New Zealand:
75 newspapers and 16 magazines

SPORTS TEAMS

New York Knickerbockers
New York Rangers
New York Liberty
New England Seawolves
Hartford Wolf Pack
(all 40% with 45% Cablevision, 15% NBC/GE)
Los Angeles Dodgers
Manchester United (pending government
approval) UK soccer team

STATIONS

Reaches more than 40%
of all U.S. households

WNYW New York
KTTV Los Angeles
WFLD Chicago
WTVX Philadelphia
WFXT Boston
WTTG Washington
KDFW Dallas
WJBK Detroit
WAGA Atlanta
KRIV Houston
WJW Cleveland
WTVT Tampa
KSAZ Phoenix
KDVR Denver
KTVI St. Louis
WDAF Kansas City
WITI Milwaukee
KSTU Salt Lake City
WHBQ Memphis
WGHP Greensboro
WBRC Birmingham
KTBC Austin
KDFI**Dallas

**operating agreement

Fox News

MOVIES

Walt Disney Pictures
Touchstone Pictures
Hollywood Pictures
Miramax Film Corp.
Dimension
Buena Vista International

PLAYS

Broadway productions
of The Lion King and
Beauty and the Beast

MUSIC

Walt Disney; Hollywood;
Mammoth; Lyric Street

RADIO

35 Stations
ABC Radio Networks
Radio Disney
ESPN Radio (80% with Hearst)

OTHER

Developed Celebration, FL, a 4,900-acre
town; Produces videocassettes and film strips
for schools; Sells cell art from Disney
animated films Sells merchandise through the
Disney Catalog; Licenses characters for
clothes, toys, gifts, etc.

TV PRODUCTION & DISTRIBUTION

Touchstone Television
Walt Disney Television
Buena Vista Television

INTERNATIONAL TV

The Disney Channel
International
Equity stakes in
international versions
of ESPN and HBO;
NetStar,
The Sports Network,
Les Réseau des Sports

ABC TV Net

World News This Morning

World News Saturday

World News Sunday

Good Morning America

20/

THE WALT DISNEY COMPANY

1998 Revenues: \$23 billion
 Michael Eisner, CEO 1998 pay: \$5.8 million, and exercised stock options worth almost \$570 million

BOOKS
 Hyperion
 Max Books
 Children's
 Book Group
 N Books
 Daytime Press

MAGAZINES
 Discover; Family Fun;
 Disney Adventures;
 Disney; W;
 Women's Wear Daily;
 Jane; Los Angeles;
 ESPN The Magazine
 (80% w/ 20% Hearst);
 Talk (50% w/ Hearst)

RESORTS
 Disney World; Disneyland;
 Disney Cruise Line;
 Disney Vacation Club (resorts in Key West, Vero Beach, FL, and Hilton Head)
 Tokyo Disney (royalties on revenues)
 Disneyland Paris (39%)

SPORTS TEAMS
 Mighty Ducks
 Anaheim Angels

RETAIL
 713 Disney Stores
 ESPN-The Store

WEB
 Go.com (owns about 43% of Go's parent Infoseek; deal pending that would merge Infoseek with some Disney sites, including Disney.com, ABC.com, ABCSports.com and ESPN.com. Disney would own about 72% of the new company, and Infoseek about 28%)
 Other Disney sites include:
 Hollywoodrec.com, Mammoth.com,
 Miramax.com, Movies.com,
 Tv.plex.com, Mightyducks.com,
 Angelsbaseball.com

TV STATIONS
 Reaches 24% of U.S. households
 WABC New York
 KABC Los Angeles
 WLS Chicago
 WPVI Philadelphia
 KGO San Francisco
 KTRK Houston
 WTVT Raleigh/Durham
 KFSN Fresno, CA
 WJRT Flint, MI
 WTVG Toledo, OH

CABLE
 Disney Channel
 Toon Disney
 ESPN (80% w/ Hearst 20%)
 ESPN2 (80% w/ Hearst 20%)
 ESPN Classic (80% w/ Hearst 20%)
 ESPNEWS (80% w/ Hearst 20%)
 ESPN Regional Television (80% w/ Hearst 20%)
 A&E (37.5% w/ 37.5% Hearst, 25% GE)
 Biography Channel (37.5% w/ 37.5% Hearst, 25% GE)
 The History Channel (37.5% w/ 37.5% Hearst, 25% GE)
 Lifetime (50% w/ 50% Hearst)
 Lifetime Movie Network (50% w/ 50% Hearst)
 E! Entertainment Television (39.6% w/ 40% Comcast, 20% Liberty and MediaOne/AT&T)
 Style (39.6% w/ 40% Comcast, 20% Liberty and MediaOne/AT&T)

ABC
 Network 224 affiliates

Nightline
 ABC This Week
 60/20
 World News Now
 World News Tonight

CBS CORPORATION

FMR owns 10%
 1998 Revenue: \$6.8 billion

Michael Jordan, CEO, 1998 pay: \$8.1 million (retired 1/99)
 Mel Karmazin, President & CEO (as of 1/99)—1998 pay: \$6 million
 Leslie Moonves, President & CEO, CBS Television: \$4.1 million

RADIO
 Infinity Broadcasting Corporation (81.8%); 160 AM & FM stations, including 6 of 10 highest-growing stations; Minority equity investment in Westwood One; management of CBS Radio Network SportsLine Radio (20% with MediaOne, Reuters, America Online); CBS Marketwatch.com Radio Network (38% w/ 38% Data Broadcasting)

ENERGY SYSTEMS
 supplier of fuel, products, services to nuclear power plants (scheduled for sale in 1999)

GOVERNMENT OPERATIONS
 waste management, environmental cleanup, and management of nuclear materials for Dept. of Energy; manages nuclear reactors program for US Navy; chemical agent and weapons destruction for US Dept of Defense; also manufactures nuclear waste storage containers, pumps, motors, generators, and other equipment (scheduled for sale in 1999)

BILLBOARDS
 TDI Worldwide, Inc.: billboards; signs on mass transit systems in New York, San Francisco, Chicago, Atlanta, Philadelphia, Washington, London, Canada and Western Europe

WEB
 CBS.com; Infinity.com (planned); Country.com; CBS Sportline USA (about 20% w/ Media One, Reuters, America Online); has minority interest in SportSound; cbs.marketwatch.com (38% w/ 38% Data Broadcasting); storerunner.com (50% with StoreRunner); Hollywood.com (35% w/ Big Entertainment, with option to acquire another 5%); Office.com (33% w/ WinStar Communications, Inc.); Webvan (minor stake); Switchboard (35% w/ Barran Systems Inc. & AOL; option for another 5%); ThirdAge.com (30% w/ option for another 5%)

PRODUCTION & DISTRIBUTION
 Eyemark Entertainment
 CBS Broadcast International
 King World Productions
 Group W

CBS CABLE
 CMT, TNN
 Midwest Sports Channel
 Home Team Sports (66% w/ 34% News Corporation)
 CBS Telenovelas (30% with Medcom)

STATIONS
 Reaches 34% of US households
 WCBS New York
 KCBS LA
 WBBM Chicago
 KYW Philadelphia
 KPIX San Francisco
 WBZ Boston
 KTVT Dallas-Ft. Worth
 WWJ Detroit
 WCCO Minneapolis
 WPOR Miami
 KCNC Denver
 KDKA Pittsburgh
 WJZ Baltimore
 KUTV Salt Lake City
 KEYE Austin
 WFRV Green Bay

CBS
 more than 200 affiliates

60 Minutes
 60 Minutes II
 CBS Evening News w/ Dan Rather
 48 Hours
 Face the Nation
 This Morning
 CBS Morning News
 Up to the Minute
 CBS Evening News-Saturday
 CBS News Sunday Morning
 CBS News Saturday Morning
 CBS Evening News w/ John Roberts

DOCUMENT OFF-LINE

This page has been substituted for one of the following:

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o Other materials which, for one reason or another, could not be scanned into the ECFS system.

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